GOVERNMENT OF INDIA
INFORMATION TECHNOLOGY
LOK SABHA

UNSTARRED QUESTION NO:589
ANSWERED ON:22.11.2000
AUDIT OF CMC LIMITED
RAMJI LAL SUMAN;SUSHIL KUMAR INDORA

Will the Minister of INFORMATION TECHNOLOGY be pleased to state:

(a) whether the Government have received the audit report from statutory auditor on July 27, 2000 about the accounts of the CMCLtd. for the year 1999-2000;

(b) whether it contains many negative audit paras or observations therein;

(c) if so, the details thereof;

(d) whether the Government have identified the officials responsible for these irregularities; and

(e) if so, the details thereof and the action taken against them so far?

Answer

MINISTER OF PARLIAMENTARY AFFAIRS AND INFORMATION TECHNOLOGY (SHRI PRAMOD MAHAJAN)

(a): Yes, Sir.

(b) & (c): The observations in the Auditors` report to the accounts of CMC Ltd., for the year 1999-2000 mainly relate to the following:

(i) Non conformance with accounting standards.

(ii) Need for adequate controls over debtors/creditors/other liabilities/advances/tax deducted at source certificates.

(iii) Need to strengthen control and documentation for purchases, sales of goods/services as also need to strengthen internal audit. These cannot be construed as negative audit paras. The Company has given replies to the audit observations which are appended to the Board of Directors report in which the Company has committed to rectify procedures/requirements, wherever necessary.

(d)& (e): In view of reply to (b) & (c), question does not arise.